

Date:	Reference No.:	Agenda Item No.:
8/6/2012		08.04.

Subject: Approval of Selection of Siemens Industry, Inc. for the Guaranteed Energy Savings Project

Summary of Request:

In the summer of 2011, the Town Council approved a Memorandum of Understanding with Johnson Controls, Inc. for the analysis of potential energy savings or increased revenue generating projects for the Town to perform under the Performance Contracting statute (IC 36-1-12.5). JCI completed that analysis at the end of 2011 and staff used that as a basis for a Request for Qualifications to choose an Energy Service Company (ESCO) to develop a project that would enhance revenues and reduce operational and energy costs. The RFQ was advertised on January 19, 2012 with a due date of March 9, 2012. By that date, the Town recieved four qualified proposals. Staff, consisting of myself, Kathy Dillon, Mike Good, Steve Chambers and Debbie Bernhardt, reviewed and scored the RFQ responses and the scoring sheet is attached. From that scoring, the Town scheduled interviews with Johnson Controls, Siemens Industry and Energy Systems Group. After the interview process, staff made the decision to work with Siemens Industry, Inc. based upon the following factors: Make-up and relationship with project team, experience with meter/water projects, which is our major area of focus, engineering team had many ideas and recommendations and the fact that we felt that Siemens team was listening to the Town and will tailor the project to our needs. With that choice, staff would ask that the Council approves the selection of Siemens so we can move forward on a Project Development Agreement.

Financial Summary:

Budget Funds Available	If Yes, Amount
<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	

Budget Fund Information:	Line Item Name	Line Item Number

Recommend Bid/Contract Amount: N/A

Estimated Project Costs: (whole numbers)	Architecture/Engineering	N/A
	Construction/Procurement	N/A
	Contingency	N/A
	Miscellaneous Costs	N/A
	TOTAL ESTIMATE	N/A
	Future Expenses (if any)	N/A
	Revenue Generated (if any)	N/A

Department Head Approval:

Date:

Assistant Town Manager Approval:

Date:

ATM Comments:

Supporting Documentation:

Memo from KGR, Letters from Johnson Controls, Inc., Response Email from Town Manager, Request for Qualifications Dated January 19, 2012

Action Requested:

Approval of staff's recommendation to approve the selection of Siemens Industry, Inc. for the Guaranteed Energy Savings Project and to begin working on a Project Development Agreement.

Town Manager Approval:

Shane A. McKinstry

Date:

8/6/2012

TM Comments:

After a thorough review of the qualified ESCO's that responded to the RFQ, and after an interview with the top three respondents, staff felt Siemens Industry, Inc. team was the best choice citing their vision for our project, their approach and their expertise. While they have yet to complete an Automated Meter Reading project in Indiana, they have provided many quality references for AMR projects in Texas and other states that has given staff a level of comfort that they have the knowledge and experience to complete our project goals. I recommend approval of staff's recommendation.

Johnson Controls, Inc.
1255 N. Senate Avenue, Indianapolis, IN 46202
Main 317 917 5000 Fax 317 638 6146



July 10, 2012

Mr. Dwayne Sawyer, Town Council President
Town of Brownsburg
61 N. Green Street
Brownsburg, IN 46112

Dear Dwayne:

I have tried to reach out to you on several occasions to set-up the meeting we discussed when we had breakfast on May 24th. At our breakfast you agreed to set-up a meeting with yourself, the Town Manager, and Johnson Controls to discuss your procurement for the Water Meter Automation project advertised on 01/19/12.

We received a call from Grant Kleinhenz yesterday indicating that the Town is moving forward with the selection of Siemens and we were welcome to attend the meeting on Thursday if we so desire. That is disappointing, since we only asked for a small amount of time and discussion, which could potentially save Brownsburg time and money. Based on all of the work and effort we gave to this project - not to mention our significant employee base who reside in Brownsburg - it would seem we could have been extended such a courtesy.

I would like to inquire as to your process for filing of a formal protest to the selection of Siemens on this project. I have been in this business for almost twenty years and I have yet to see a procurement like this anywhere.

In your RFQ you included a score sheet and indicated that: "The respondent with the highest sum shall be selected". At your May 10th town council meeting Grant indicated he and the selection committee "were more comfortable with Siemens" which was the basis of his selection and recommendation of Siemens.

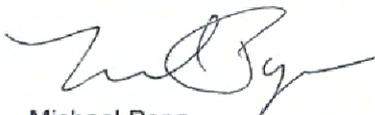
I take issue with this process for several reasons:

- Was the scoring sheet even used? "Comfortable" was not defined in your RFQ as one of the criteria and is not the basis for procurement under IC 36-1-12.5 (Indiana guaranteed savings program).
- Scott Black (Siemens Sales Representative hired the month this project was announced and on the board of the Brownsburg Chamber of Commerce) and his wife (full-time employee of Brownsburg Chamber of Commerce whose office is in Town Hall) have a relationship with members of the Selection team and/or Council. This was never disclosed to any of the other respondents and certainly should have been disclosed. Resolution #2012-24 adopted on 06/28/2012 concerning nepotism in employment and contracting should be given consideration.

- Johnson Controls provided (6) highly-satisfied references in Indiana that have used IC 36-1-12.5 for automated utility metering. Siemens has never done an automated meter reading project under this statute. I can only confirm that you checked one of our references, how much due diligence did the selection team do? You required four (4) references.
- Stability, integrity, and financial strength of the respondents were part of the proposed scoring. Was any consideration given to the fact that Siemens has recently plead guilty to the largest fine ever issued by the US Department of Justice for bribery under the Foreign Corrupt Practices Act? Furthermore, 8 senior officials are currently awaiting trial on these charges.
- It was indicated on several occasions that Johnson Controls was the best qualified by your selection committee and your Spring 2012 newsletter states you are working with Johnson Controls on this initiative.

You can see why we have questions (and these are just a few), have requested meetings with Brownsburg, and now have to file a protest. Based on our extensive knowledge of Brownsburg Utilities, along with the Siemens project cost model for a comparable sized utility (Washington, MO) provided under the Freedom of Information Act, **Johnson Controls can deliver this project at a cost savings of \$627,000** on material alone. Based on our local project team as opposed to Siemens (installation out of Baton Rouge, project management and engineering out of Detroit), savings to the citizens and ratepayers could easily exceed one million dollars on this project. What would be the reason you would not want to allow the three qualified firms to compete directly through a firm price bid?

I look forward to your response.



Michael Popa
Area General Manger-Johnson Controls, Inc
1255 North Senate Ave
Indianapolis, IN 46202
317-616-8782

cc: **Grant Kleinhenz, Town Manager**
Tricia Leminger, Town Attorney
Donald Spencer, VP Town Council
Rob Kendall, Town Council
Dave Richardson, Town Council
Gary Hood, Town Council

Grant Kleinhenz

From: Grant Kleinhenz
Sent: Wednesday, July 11, 2012 11:21 AM
To: Town Council
Cc: Tricia Leminger
Subject: Guaranteed Energy Savings Contract Project
Attachments: Johnson Control Letter-711075556-0001.pdf; Spring2012.pdf

President and Town Council,

As you may remember, at the May 4, 2012 Town Council meeting, I brought to the Council for consideration the approval of the selection of Siemens Industry, Inc. for the guaranteed energy savings contract from a qualified Request for Qualification process. At that meeting, Johnson Controls appeared and spoke at the end of the meeting stating that they would like to see the Town go through a Request for Proposal process as they were sure that they would be able to produce a project that would save money and be more efficient over what Siemens could do. They stated various reasons for their belief at that time including:

1. They created an initial evaluation of the Town and possibilities for energy savings projects at their own expense and at great effort and because of this evaluation were very familiar with the Town and its utilities
2. They stated at that time that there had been six such RFQ/RFP processes to date in the State of Indiana and that they had received the contract on all six
3. Their buying power and expertise would save hundreds of thousands of dollars

At that meeting, the Town Council requested that we review the Request for Qualification process against the statute to make sure that we followed the process. To date that review has been ongoing but due to major projects such as Consolidation, Town Hall litigation and the County Sewer Agreement, we have yet to be able to get that completed. On Monday, I called Chris Downs with Johnson Controls to inform him that I was going to add the RFQ discussion to the upcoming Town Council meeting pending a memo from Tricia Leminger on the process. I told him that if I didn't get that memo by late yesterday that I would remove that item from the agenda. Yesterday, I did email Chris and inform that we were removing the item. Also on Monday in our phone conversation, he asked me what our decision was to be regarding their request. I informed him of what the Town Council had asked of me and that if no concerns or issues were found with the RFQ, that it was staff's intent to recommend no change to the selection of the contractor.

In the mail this morning, I received the attached letter from Johnson Controls General Manager Michael Popa stating that they are filing on official protest. I don't exactly know what an official protest is or under what rules or authority they are making this objection. They make some allegations about the process and our methodology for selection of Siemens as follows:

1. **Was the scoring sheet even used?** Answer: Yes the sheet was used and Siemens score was behind Johnson Controls score (87 for JCI vs. 73 for Siemens). The main reason for this was their lack of experience in Indiana with Automated Meter Reading projects. The other three areas their scores were similar.
2. **Scott Black has a relationship with the Committee or the Town Council and is a member of the Chamber of Commerce. They even referred to the Nepotism policy that we adopted in the last month.** Answer: This had no factor in the decision. I did not divulge this to the respondents as I didn't think that it had merit (that is more a question for Tricia). I want to remind the Council that I had a previous relationship with Johnson Controls in Illinois and specifically with Chris Downs and I divulged this to the respondents as well as the fact that we approved an MOU with JCI to do an analysis and evaluation of the Town.
3. **Reference checks – they have highly satisfied references in Indiana and asked if we even contacted their references.** Answer: Staff contacted four of their references (Lawrence, Mt. Vernon and Anderson, IN and Back River WWTP in Maryland) and received good comments about their performance, process and guarantee. We also contacted Siemens references, and while none of them were in the State of Indiana,

they were also equally as pleased. In my experience with JCI in Illinois, they had some issues (as everyone will in a major project) but they did come back and take care of them. One issue that did cause me great grief was the fact that the selected installer for the meters was not a licensed plumber in the State of Illinois and also didn't use union plumbers. They did correct the issue, but it caused at least 2 or 3 days of delay and many headaches for me with City Council, Mayor and our employees that were union. The project is doing well in Illinois.

4. **Stability, integrity and financial strength – they asked if I knew that Siemens had recently plead guilty to a bribery case with the Department of Justice** – Answer: Under the financial area, we asked about their proposed financing options/choices, their guarantee documents and process/auditing, Standards for service and program monitoring. We did not ask about these types of issues. We did ask in the interview whether they had ever had a project that they had to pay the Town/City due to lack of performance. Both answered that they had.
5. **It was indicated that JCI was the best qualified by the selection committee and the Spring newsletter mentions that we are working with JCI** – Answer: I don't remember anyone stating that they were the most qualified. Also, the spring newsletter that they refer to is attached and only mentions that we are working with JCI on the MOU to do the evaluation and the following regarding the process: *The Town issued a Request for Qualifications in January asking for responses from various firms that have the ability to plan and implement these types of guaranteed energy savings projects. There are many firms in the Indianapolis area which specialize in this type of work, which means that we should receive many qualified responses to our RFQ. The proposals are due March 9. If you have any questions about the process or results from the Town of Brownsburg, feel free to call Grant Kleinhenz*

With this being said, I feel that this is an attempt to get the job and nothing more. If you have questions or comments, please let me know. Thank you.

Grant A. Kleinhenz, ICMA-CM
Town Manager
Town of Brownsburg
(317)852-1120 Office
(317)852-1125 Direct Line
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(317)852-1123 FAX
www.brownsburg.org
Follow me on Twitter @BrownsburgTM



"If everyone is thinking alike, then someone isn't thinking."

General George S. Patton



Johnson Controls, Inc.
1255 N. Senate Avenue, Indianapolis, IN 46202
Main 317 917 5000 Fax 317 638 6146



Mr. Dwayne Sawyer
Town of Brownsburg Council President

May 10, 2012

Dear Mr. Sawyer:

On behalf of the 1,200 Johnson Controls employees in the State of Indiana and the 20+ employees that reside in the Town of Brownsburg itself, I would like to make the following recommendation in regards to the Energy Savings Performance Contract project advertised in March.

Since it is clear that of the 3 respondents, 2 were well qualified for this work and we therefore request that both Johnson Controls and Siemens be allowed to enter into an RFP (Request for Proposals) and provide competitive pricing for the scope of work selected by your Management team.

During the initial discovery phase of this project and prior to the official release of the RFQ, Johnson Controls, at its own expense conducted an evaluation that was the basis for this procurement but was required to provide all confidential information in our report to our competitors. We believe it is only right to afford us the same courtesy and allow us to provide a bid.

Since Johnson Controls is willing to do all the engineering and development associated with this RFP at our own expense, this would not place any undue burden or expense on the town or its staff. In fact, this will only benefit the community by providing the best solution with the lowest possible cost. We are certain that through our experience, best practices, proven processes, buying-power, and local project workforce, Johnson Controls will be able to save the citizens and ratepayers costs (hundreds of thousands of dollars) and receive a far superior result as our six Indiana automated meter reading (AMR) references will attest.

Thank you and we look forward to serving the Town of Brownsburg.

A handwritten signature in black ink, appearing to read "Michael Popa".

Michael Popa
Area General Manager-Johnson Controls

Cc:

Tricia Leminger-Town Attorney
Grant Kleinhanz-City Manager
Robert Grand- Barnes and Thornburg

Memorandum of Understanding

To: Grant Kleinhenz, Town of Brownsburg Assistant Town Manager
From: Chris Downs, Johnson Controls Account Executive - Local Government
Date: August 15, 2011
Re: Mutual Memorandum of Understanding

On this date, it is agreed that Johnson Controls, Inc. shall dedicate its resources to identify energy, uncollected revenue enhancements, utility and operational efficiency opportunities for the Town of Brownsburg that will encompass the following elements:

- **Water meter replacement**
- **Automatic Meter Reading (AMR) system for water meters**
- **Advanced Metering Infrastructure (AMI) system for water meters and potentially other municipal applications**
- **Water treatment plant improvements**
- **Wastewater treatment plant improvements**
- **Water distribution and storage system improvements**
- **Wastewater collection system improvements**
- **Other areas as requested by the Town of Brownsburg**

During the identification of potential projects for the Town of Brownsburg, Johnson Controls, Inc. shall indemnify and hold harmless the Town of Brownsburg, its elected and appointed officials, employees, attorneys and agents from and against any and all costs, losses and damages, including, but not limited to attorneys fees, caused by the negligent acts or omissions of Johnson Controls, Inc, or its subcontractors, officers, directors, partners, employees, agents and/or consultants in the performance of the services under this Memorandum of Understanding.

Also, during this process, Johnson Controls, Inc., shall acquire and maintain statutory workman's compensation insurance coverage, employer's liability and comprehensive general liability insurance coverage at all times while performing services under this Memorandum of Understanding. Johnson Controls, Inc., shall maintain insurance coverage in such amounts and with such carriers that are reasonably requested by the Town of Brownsburg.

Pursuant to I.C. 22-9-1-10, Johnson Controls, Inc., represents that it and its subcontractors, if any, shall not discriminate against any employee or applicant for employment to be employed in the performance of the services hereunder with respect to the employee's or applicant's hiring, tenure, terms, conditions or privileges of employment or any matter directly or indirectly relating to employment, because of the employee's or applicant's race, religion, color, sex, disability, national origin or ancestry. Breach of this covenant may be considered a material breach of this Memorandum of Understanding.

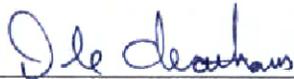
The objective(s) of this Agreement must ultimately yield the following items - *without increasing utility billing rates*:

- **Operating cost reduction**
- **Future operating cost containment**
- **Increased capture of uncollected utility revenues** Reduced overall energy expenditures
- **Future capital cost avoidance**

Both parties understand that the purpose of this preliminary assessment is to establish the foundation for a Request For Qualifications (RFQ) for a guaranteed, self-funding program in accordance with IC 36-1-12.5 (performance-based contracting).

In consideration of the Town of Brownsburg's execution of this Memorandum of Understanding, Johnson Controls will complete a preliminary assessment and provide a letter of feasibility documenting findings within sixty (60) days of signature at no cost to the Town of Brownsburg. In return, the Town of Brownsburg commits to provide access to the facilities and copies of prints, utility tariffs, utility bills, and any other documents or plans as necessary. In the event that the preliminary assessment and letter of feasibility as set forth herein are not provided within the 60 days as set forth herein, the Town may terminate this Memorandum, and Johnson Controls shall immediately, within 2 business days, return copies of any and all documents or plans or information that was provided to Johnson Controls, Inc. to the Town of Brownsburg. If additional time is required for the completion of the analysis above and beyond the agreed upon sixty (60) days, the Town may grant additional time upon a written request from Johnson Controls, Inc. not to exceed an additional sixty (60) days.

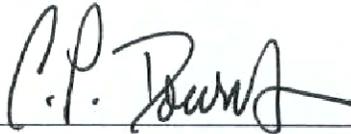
It is also mutually understood that nothing contained in this Memorandum of Understanding shall require and/or obligate the Town to make any payment to Johnson Controls, Inc. or to enter into any future contracts for additional services at any time with Johnson Controls, Inc. In addition, this Memorandum of Understanding is not an exclusive agreement for the Town and nothing contained herein shall prohibit and/or restrict the Town from requesting from and/or entering into a contract with any other third party for the same and/or similar services as provided for hereunder.



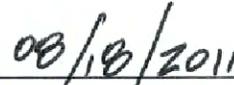
Dale Cheatham
Town Manager



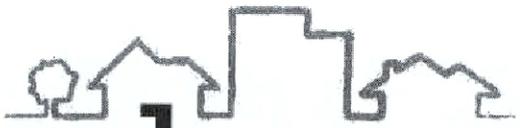
Date



Chris Downs
Account Executive – Johnson Controls, Inc.



Date

TOWN OF 
Brownsburg

**A REQUEST FOR QUALIFICATIONS FOR THE
IDENTIFICATION AND IMPLEMENTATION OF
GUARANTEED ENERGY SAVINGS IMPROVEMENTS,
REVENUE ENHANCEMENT AND COST REDUCTION
SOLUTIONS FOR THE TOWN OF BROWNSBURG**

ISSUED ON THURSDAY, JANUARY 19, 2012

Town of Brownsburg
Town of Brownsburg Administrative Office
61 N. Green Street
Brownsburg, IN 46112

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Town of Brownsburg

Request for Qualifications (RFQ) for Performance-Based Contracting Services

The **Town of Brownsburg, Indiana** (hereafter referred to as "**Town of Brownsburg**") is requesting proposals from interested and qualified performance-based contractors for the following project:

Identification and Implementation of Guaranteed Energy Savings Projects, Revenue Enhancement and Cost Reduction Solutions for the Town of Brownsburg

The **Town of Brownsburg** plans to select the most qualified contractor for performance-based contracting services in accordance with: I.C. 36-1-12.5 and the (RFQ) Request for Qualifications. The objective in issuing this Request for Qualifications is to solicit proposals of qualifications from companies that have the experience, capability, and track record to identify, design, install, maintain, monitor and arrange financing for a large-scale performance-based contracting program. The selected performance-based contractor shall provide the **Town of Brownsburg** a comprehensive program which shall include: (a) water and energy audits, (b) design and installation of water/energy efficient equipment and systems, (c) training of existing personnel in the operation and maintenance of installed systems, (d) training of staff on water/energy education and awareness, (e) monitoring of water/energy costs and systems, (f) financing for the project, and (g) a written guarantee that total program costs shall be one hundred percent (100%) covered by the program benefits. Program benefits will include, but not be limited to, energy savings, revenue enhancement and operating cost reductions achieved through this program. The **Town of Brownsburg** anticipates utility system improvements and cost reductions and revenue enhancements to the water meter systems to be identified as feasible projects.

All qualified firms interested in providing the specified performance-based contracting services should respond with a written proposal to the **Town of Brownsburg**. Final selection will be made in accordance with the policies and administrative directive of the **Town of Brownsburg** and other statutory provisions. **Responses must be received no later than Friday, March 9, 2012 at 4:00PM after which time and date they will no longer be accepted. Late responses will be returned and will not be opened or considered.**

Responses may be mailed or hand delivered to:

Town of Brownsburg
RFQ for Guaranteed Energy/Water Savings Program
ATTN: Grant A. Kleinhenz, Assistant Town Manager
61 N. Green Street
Brownsburg, IN 46112

Section I -- General Information

1) Purpose

This Request for Qualifications (RFQ) requests qualifications from companies for performance-based contracting services to develop and implement energy savings, revenue enhancement and cost reducing strategies for the **Town of Brownsburg**. The funds generated from such strategies will be utilized to provide water and facility improvements and upgrades. Timely implementation of this project is of the essence. The **Town of Brownsburg** anticipates that automated meter reading will be an essential part of this scope but also is interested in ideas for other improvements and enhancements as submitted by interested parties. In fact, the Town has completed a Feasibility Report for various improvements including water meter replacement, an Automatic Meter Reading (AMR) system, Advanced Metering Infrastructure (AMI) including leak detection and fixed based network as well as water and wastewater plant improvements. This report is available for review by potential respondents and can be obtained from the same office that is issuing this RFQ. This list is not to be interpreted as the only projects that the Town is interested in pursuing but is simply illustrative of various considerations. The Town is open to other ideas as presented.

2) Performance-Based Contracting

For the purposes of this document, "Performance-Based Contract" means a contract that provides improvements and upgrades for water/energy efficient equipment and associated services in which the payment obligation is guaranteed by the performance-based contractor to be less than the program benefits attributable to the equipment and services under the contract for the term of the agreement.

3) Program Benefits Guarantee

The performance-based contractor shall provide a written guarantee in accordance with I.C. 36-1-12.5 - Energy Conservation Measures For Local Governments. The total program costs, including financed equipment cost, maintenance costs, and other costs, shall be one hundred percent (100%) covered by program benefits. The guarantee shall be monitored monthly and reconciled on an annual basis, commencing one year from the date of completion of installation. In the event that the actual program benefits are less than the guaranteed program benefits, the performance-based contractor shall provide cash reconciliation of the difference. The performance-based contractor's guarantee shall be a first party direct guarantee from the contractor to the **Town of Brownsburg**. A third-party guarantee or performance bond in lieu of the guarantee is not acceptable.

4) Eligible Bidders

Only qualified performance based contractors with experience related to the installation and operation of Automatic Meter Reading (AMR) Performance Based Contracts will be considered, as this type of project is one that the Town of Brownsburg has great interest in seeing accomplished. Responses from other parties shall not be considered.

- 5) Proposal Format
Proposals must be submitted in the format outlined in this document. Each proposal will be reviewed to determine if it is complete prior to actual evaluation. Proposals not containing the information requested will not be considered. Respondents shall use the prescribed format to clearly indicate their experience and qualifications, describe their technical approach to this project, and fully describe their proposed guaranteed performance contract. Proposals will be evaluated in light of the material and substantiating evidence presented in the proposal, and not on the basis of what is inferred.
- 6) Contract Responsibility
The selected contractor will be required to assume total responsibility for all services offered in the proposal. The selected contractor will be considered the prime contractor and the sole point of contact with regard to all contractual matters.
- 7) Required Bonds and Insurance
Prior to award of a contract, the performance-based contractor shall provide the **Town of Brownsburg** with a 100-percent project value bond for its faithful performance as required by I.C. 36-1-12.5 and the (RFQ) Request for Qualifications.- Energy Conservation Measures For Local Governments. The successful respondent shall procure and maintain in effect during the life of the agreement commercial general liability insurance in amount not less than \$5,000,000 each occurrence, comprehensive automotive liability insurance in amount not less than \$5,000,000, and workers compensation insurance in accordance with the Worker's Compensation Act of the State of Indiana to adequately protect the interests of the **Town of Brownsburg** for all labor employed by the contractor. In addition, professional liability insurance coverage shall be in force according to the requirements for engineering design work in the State of Indiana. Evidence of required bonds and insurance shall be presented prior to execution of a guaranteed performance contract. Insurance policies to be carried under the agreement shall not be changed or canceled without prior written notification to the **Town of Brownsburg**.
- 8) Taxes, Fees, Code Compliance, Licensing
The performance-based contractor shall be responsible for payment of any required taxes or fees associated with the execution of the guaranteed contract. The performance-based contractor shall be responsible for compliance with all applicable codes and Statutes. All engineering, design, installation and construction work shall be done by contractors properly and legally licensed in the State of Indiana.
- 9) References and Proprietary Information
Submission of a response deems permission to make inquiries concerning the respondent and its officers and to any persons or firms deemed appropriate by the **Town of Brownsburg**. Any proprietary information that the contractor does not want disclosed to the public shall be so identified on each page in which it is found. Data or information so identified will be used by the **Town of Brownsburg** solely for the purpose of evaluation and contract negotiations.

10) Inquiries

Questions that arise from respondents prior to proposal submission shall be submitted in writing to the **Town of Brownsburg** as a Request for Information (RFI). The point of contact for these RFI's shall be Grant A. Kleinhenz, Assistant Town Manager (317-858-6031). The Town of Brownsburg will reply to these RFI's and will copy all interested parties so that all will have the same information or clarification.

11) Schedule Of Events

The **Town of Brownsburg** expects to undertake the selection process according to the following schedule:

Request for Qualifications Issued: **Thursday, January 19, 2012**

Second Advertisement: **Thursday, January 26, 2012**

Submission of Proposals: **Friday, March 9, 2012**

Contractor Selection: **TBD**

All responses must be valid for a period of ninety (90) days from the submission deadline to allow for Town of Brownsburg review and discussion.

Section II -- Response Format and Preparation Instructions

Responses must be submitted in the format outlined in this section. The respondent must provide the Town of Brownsburg with ten (10) copies of your responses. Each response will be reviewed to determine if it is complete prior to actual evaluation. The **Town of Brownsburg** reserves the right to eliminate from further consideration any response that is deemed to be substantially or materially unresponsive to the requests for information contained in this section. The intent of the **Town of Brownsburg** is that all responses follow the same format in order to evaluate each response fairly. Proposals will be evaluated in light of the material and substantiating evidence presented in the proposal, and not on the basis of what is inferred.

Begin each section and subsection described herein on a separate page. Each page shall have the name of the respondent indicated clearly at the upper right corner of each page.

1. Table of Contents

Responses shall include a table of contents properly indicating the section and page numbers of the information included.

2. Executive Summary

Responses shall include an abstract of no more than four (4) pages on the information presented in the proposal and the contractor's unique qualifications and services.

3. Background, Experience & Capabilities

A. Background and Firm Profile

Provide general information on the responding firm, including; name, business address, local telephone number, officers of the firm, and contact person for this project. Indicate the age of the company, number of years in performance-based contracting, number of guaranteed performance contracts which have been implemented and when and where, and the firm's approach to performance-based contracting. Also include a complete description of the firm's local branch or office service strength and capabilities.

The respondent shall provide a certificate of insurance detailing their present coverage and limits. The respondent shall also provide their bonding capacity and bonding rate. **Provide the last three years of annual reports, and summarize the financial strength and longevity of the firm.** If the firm is a separate legal entity from the manufacturer, for example a distributorship or manufacturer's representative, specify the legal business classification of the responding firm, describe the legal relationship between the responding firm and the manufacturer, provide audited financial statements of the local firm for the last two years, and summarize the longevity and financial strength of the local firm. **All respondents must submit the last three years of Audited Financial statements for their company.**

B. Project Team

List the members of the project team. Provide a list of the personnel to be used on this project and their qualifications. A one-page resume including education, experience, and any other pertinent information shall be included for each team member assigned to this project.

C. References

The respondent shall include references that shall indicate the prior relevant work experience of the prime contractor. References shall be of the type and format described below:

Performance-Based Contracting - Four (4) references shall indicate completion date of installation, services and equipment provided, guaranteed and actual program benefits, project cost and financing description, contract term, and benefits to the owner. Provide the owner's name, address, telephone number, and contact person for each reference. References for projects where the responding firm was not the prime contractor are not acceptable. The Town of Brownsburg is particularly interested in automated water meter reading references.

D. Maintenance Services

Describe maintenance services provided by the RFQ Respondent, including a description of the service organization and personnel directly employed by the

RFQ Respondent. Include a list of services provided and the ability to provide service at the Town's request for all related improvements.

4. Technical Approach

A. Needs Analysis

Indicate the respondent's approach to performing detailed audits, identification and design of improvement measures, and a comprehensive solution that addresses all aspects of energy savings, revenue enhancement and operating cost reductions.

B. Training

Provide detailed information on the training programs available to in-house maintenance personnel, including course content, location, schedule, and number of trainees. The respondent will also include programs available for promoting water and energy awareness among Town personnel.

C. Project Management

Indicate your firm's approach to managing the project. Include a timeline showing the necessary activities and schedule for implementation of the project. Describe the various responsibilities and coordination of your team members for effective project management.

D. Program Benefits Projections

Indicate your firm's approach to projecting the program benefits that will be generated as a result of this project. Describe the methodology, formulas, and reporting of the program benefits. Describe the processes and tools used to effectively project these program benefits.

5. Financial Approach

A. Financing Source

Describe the sources and types of financing the respondent will propose to be used to implement this project. Indicate the prior use and experience with this method of financing and provide letters of commitment from the financing entity. The Town is interested in reviewing all funding options presented by the respondent but reserves the right to self finance any proposed project through municipal bonding, capital leases or similar vehicles.

B. Guarantee Documents

Provide a copy of the proposed performance guarantee documents to be used for this project. Describe the reconciliation process of the guarantee.

- C. Standards of Service
Describe the method and documentation of standards of service for this project. Describe the contract language for maintenance responsibilities, occupancy schedules, operational cost reductions, and other responsibilities in the guaranteed contract.
 - D. Program Benefits Calculations and Monitoring
Indicate your firm's approach to proving the financial and technical guarantees associated with the project. Provide the program benefits calculation document, which will become an attachment to any future guaranteed contract. Describe the methodology, formulas, and compliance with the International Performance Measurement and Verification Protocol (IPMVP) for calculations and monitoring of program benefits. Describe the processes and tools used to effectively monitor the performance of these program benefits.
6. Other Benefits or Special Qualifications
Describe any other benefits the **Town of Brownsburg** will realize through this financially guaranteed contract from respondent's company. Also, describe any special qualifications that your company possesses that you feel will set you apart from other respondents.

Section III -- Selection Criteria

- 1. Completeness
Each response will be reviewed prior to the selection process for completeness and adherence to format. A response will be considered complete if all requested sections are included in the proper order.
- 2. Formal Evaluation
 - A. Evaluation Process
The **Town of Brownsburg** will appoint a selection committee to formally evaluate each response. The evaluation process will attempt to objectively grade the responses on their merit and responsiveness. Responses will be evaluated in light of the material and substantiating evidence presented in the response, and not on the basis of what is inferred. The evaluation process will include verification of performance-based contracting references, verification of project team resumes, confirmation of financial information, and may also include site visits or other information as directed by the **Town of Brownsburg**.
 - B. Grading Format
Each section or subsection of the RFQ response will be considered a separate selection criterion and will be graded individually. The maximum possible grand

total score for the RFQ response is 100 points. Scoring will be summarized on the Formal RFQ Evaluation Form.

C. Point Values

Experience & Background	45 Total Points
<i>Criterion</i>	<i>Point Value</i>
Firm Profile	1-10
Project Team	1-10
References	1-20
Maintenance Services	1-5
Technical Approach	20 Total Points
<i>Criterion</i>	<i>Point Value</i>
Needs Analysis	1-5
Training	1-5
Project Management	1-5
Program Benefits Projections	1-5
Financial Approach	25 Total Points
<i>Criterion</i>	<i>Point Value</i>
Financing Source	1-5
Guarantee Documents	1-5
Standards of Service	1-5
Program Benefits Calculations and Monitoring	1-10
Other Benefits	10 Total Points
<i>Criterion</i>	<i>Point Value</i>
Other Benefits	1-10
Grand Total	13-100

3. Oral Interview

After the formal evaluations, the **Town of Brownsburg** may decide to conduct oral interviews to address specific issues with selected respondents. The respondent's answers will be graded using the same format as the formal evaluation of the RFQ responses. The maximum possible grand total score of the oral interview will also equal 100 points.

4. Final Selection/Notification

The grand total scores of the RFQ response and the oral interview (if required by the **Town of Brownsburg**) will be summed. The respondent with the highest sum shall be selected. The **Town of Brownsburg** will notify the selected firm. The **Town of Brownsburg** reserves the right to reject any and all proposals at its discretion and choose the most qualified provider.

5. Project Development Agreement (PDA)
 Once a final selection has been made, the selected contractor will submit a Project Development Agreement (PDA) which, when approved by the **Town of Brownsburg**, will allow the selected contractor to proceed with a detailed audit, engineering design, and financial analysis of the **Town of Brownsburg's** infrastructure and facilities. If during this phase, it is determined that the project fails to meet the criterion set forth in the PDA, the **Town of Brownsburg** can terminate the PDA with no financial liability. If the project meets the criterion set forth in the PDA, and the **Town of Brownsburg** agrees to the scope of work presented, a Performance-Based Contracting Agreement will be implemented, and the contractor will proceed to implement the proposed improvement measures.

The following forms will be used by the Town of Brownsburg in reviewing and scoring responses to this Request for Qualifications. The Town of Brownsburg reserves the right to modify this form as it deems appropriate and presents them here only for information for the respondents.

**Town of Brownsburg Performance-Based Contractor
 Evaluation Form**

Name of Respondent			
Section Name	Point Value	Percentage Grade	Score
Experience & Background			
Firm Profile	10		
Project Team	10		
References	25		
Technical Approach			
Needs Analysis	5		
Training	5		
Project Management	5		
Program Benefits Projections	5		
Financial Approach			
Financing Source	5		
Guarantee Documents	5		
Standards of Service	5		
Program Benefits Calculations and Monitoring	10		
Other Benefits			
Other Benefits	10		
Grand Total Score (Possible 100)			

TOWN OF Brownsburg

Official Town Newsletter for the Citizens of Brownsburg Spring 2012

From the Town Manager's Office

The Town has experienced many changes in 2012 including a new Town Council president, two new Town Council members, and now a change in administration with Town Manager Dale Cheatham departing for a job in Texas. The Town has accomplished much under Dale's leadership, including:



Grant Kleinhenz

- State approval for expansion of the TIF district, allowing more flexibility to use TIF revenue to fund community improvement projects.
- Annexation of the Ronald Reagan/I-74 corridor and Lucas Oil Raceway, expanding the size of the Town by about one-third and providing the potential for Brownsburg to diversify its tax base.
- Capital improvements including replacing the 60+ year-old utility lines in SR 267; replacement of utilities and road reconstruction on North Grant Street and Murphy Meadows; and replacing the 40+ year-old water treatment plant in Arbuckle Acres.

Town Council appointed me as Acting Town Manager in the transition. I look forward to continuing the momentum to make Brownsburg better than it already is. Looking forward to the rest of 2012, we will finalize our Comprehensive Plan update and changes to the zoning ordinance and sign regulations. We expect to work on these simultaneously, but the Comprehensive Plan is expected to be approved before the other items are completed.

2012 will be another busy year for construction, with projects estimated to cost more than \$25 million. Details can be found on page 2. We will receive several million dollars from the Metropolitan Planning Organization to expand Northfield Drive.

Finally, last year a committee of representatives from the Town of Brownsburg, Brown Township, and Lincoln Township recommended consolidation of the three entities. A review of the recommendation is underway. If the governing bodies approve a plan, then consolidation is expected to be on the November ballot.

I am glad to be a part of the progress that we are making in Brownsburg and want to make sure that you as residents feel that you are informed, and most importantly, feel that your voice is heard. If you have any concerns or questions, feel free to call me at my office or email me at gkleinhenz@brownsburg.org so we can discuss.

Town Looks for Energy Savings

The Town of Brownsburg has been working with Johnson Controls, Inc. (JCI), an Energy Service Company (ESCO), to identify projects where savings or unrealized additional revenues can be used to pay for the costs of issuing debt for capital improvements.

The ESCO must guarantee that the cost savings or additional revenue generated will cover the costs of the debt service annually. If the savings don't provide sufficient funds to pay the debt, the ESCO must then pay the Town the difference, thereby guaranteeing that their calculations and estimates were correct, effectively protecting and "guaranteeing" success. This process is referred to as Performance Contracting and is allowable under Indiana State Law (IC 36-1-12.5).

The Town has reviewed various utility bills in connection with the treatment of wastewater and heating and cooling systems and has also

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Capital Projects Update

Grant Street – All sanitary and storm sewers have been installed on Grant Street. Curbs and asphalt base and intermediate pavement layers are complete from Franklin Street to 56th Street, and a sidewalk has been installed on the west side of Grant, from Trevor to Rodney. Grading, lighting, sidewalks, and the final layer of asphalt will be finished as the weather gets warmer. The project is expected to be complete in August.



Murphy Meadows – Rieth-Riley has started construction on the storm and sanitary sewer separations and water line installation in Murphy Meadows. This will be the first major construction project in the subdivision since it was built.

US 136 and Odell Street Intersection – We expect the State to let a contract in May for the realignment and signalization of the intersection of US 136/East Main and Odell Street. The design will include improved turning radii at corners for right-hand turns and increased turn lane lengths.

Tilden/Southside Drainage – This project involves separation of the combined sanitary/storm sewer in the area of S. Green Street and Tilden Drive to help relieve demands on the sanitary system during wet weather events. Construction of the sewer trunk line requires street replacement along Tilden Drive including curbs and gutters, curb inlets and manholes. The contract was issued to GRW.

Water Treatment Plant – The Town awarded a contract to Thieneman Construction Inc. of Westfield for construction of a 3.2MGD water plant in Arbuckle Acres to replace the existing plant that is more than 40 years old.

Northfield East and West – We are still working on issues with the railroad, but expect the projects to add travel lanes on Northfield Drive East and West to begin late this year. Improvements will include two new travel lanes, turn lanes, intersection improvements, an increase in the width of the existing multi-use path and filling in any gaps of the existing path, plus patching and/or resurfacing of the existing travel lanes.

Town Looks for Energy Savings, *cont. from Page 1*

reviewed the 20+ year old meter reading system and process, looking for areas where capital improvements can generate new revenue or create savings through the use of less energy.

JCI has ran calculations showing that the Town could install new, automated water meters that could be read using the Town's existing fiber system. The meters would "self-report" usage through the network to the Utility Billing Office without the need for personnel reading meters. Other benefits of the upgrade would include better accuracy, eliminating the need to estimate billings during the winter months, up-to-the-minute data on usage and flows to identify leaks and theft of water, and the ability to shut off delinquent accounts with the touch of a button.

JCI has recommended the installation of an automated leak detection system on the water lines which will be able to inform the Water Department when a leak starts, how many gallons the leak is losing and where it is located. This application is expected to save money over time by identifying leaks during the day when they start and allowing crews to fix them before their work day is complete. It also will allow for greater accuracy in the location of leaks, saving digging time and the destruction of costly asphalt or concrete.

One other area identified has been operations at the Wastewater Treatment Plant where they have identified leaky building envelopes which use more natural gas than is necessary for heating, improperly sized pumps or the opportunity to utilize new and emerging "green" technologies to improve operations. Potential projects which have been identified are the replacement of HVAC systems, windows, doors, lighting and insulation to increase energy efficiency and reduce utility bills.

The Town has also considered the use of a micro-turbine at the WWTP outflow into White Lick Creek, which could generate electricity to be used in the treatment process or the possibility of installing a FOG (fats, oils and greases) turbine, which would utilize used cooking oil from local restaurants to generate electricity or create fuel for Town vehicles. This FOG project would minimize one of the Wastewater Treatment Plant's greatest enemies – grease entering the system which coagulates and hardens in sewer mains, plugging them up and leading to surcharge or discharge of untreated sewage into the streets or into private property.

The Town issued a Request for Qualifications in January asking for responses from various firms that have the ability to plan and implement these types of guaranteed energy savings projects. There are many firms in the Indianapolis area which specialize in this type of work, which means that we should receive many qualified responses to our RFQ. The proposals are due March 9. If you have any questions about the process or results from the Town of Brownsburg, feel free to call Grant Kleinhenz, Assistant Town Manager at 858-6032 for further information.